ANNUAL
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PAPERSDATA
SHEETSWIRELESS 9-1-1
INFORMATIONAnnouncement details
from 11/17/00 webcast.

3rd Quarter Earnings

Marking the way for Emergency Response

Thirty years ago, the United States created a telephone network that revolutionized the public safety industry. In an emergency, most people could pick up a telephone, dial 9-1-1, and know that help was on the way. Today, the 9-1-1 system is still effective, but the infrastructure behind 9-1-1 hasn't changed much from the time of its inception-leaving it unable to bridge gaps to some new communication technologies.

SCC is leading the way in creating innovative products and services for Enhanced 9-1-1 (E9-1-1) that take advantage of today's technologies. We're making E9-1-1 better than ever before-delivering accurate information, faster, to the right people-when seconds count. And our customers-Incumbent Local Exchange Carriers (ILECs), Competitive Local Exchange Carriers (CLECs), Integrated Communications Providers (ICPs), and Wireless Carriers-can outsource their 9-1-1 management requirements to us saving them time and money and allowing them to focus on their core business.

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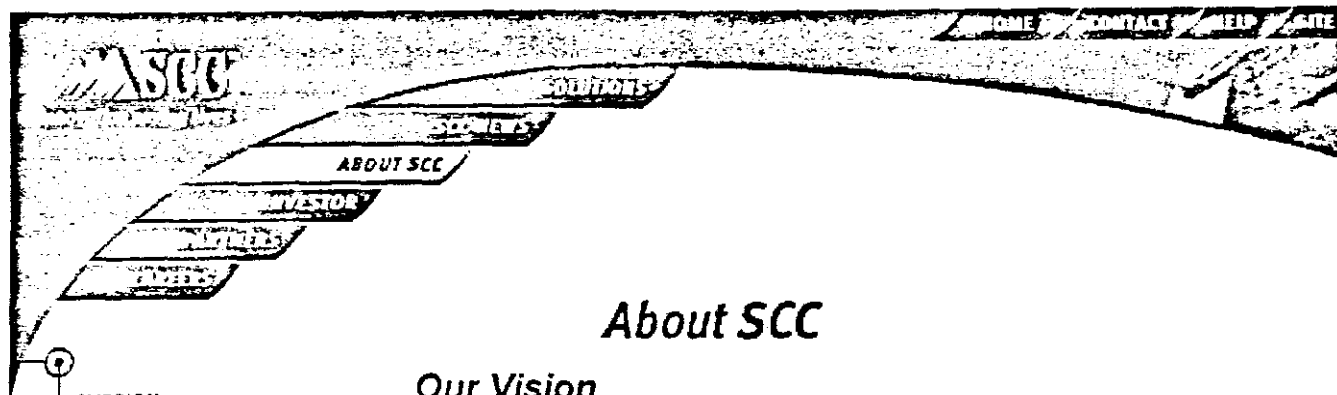
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About SCC

Our Vision

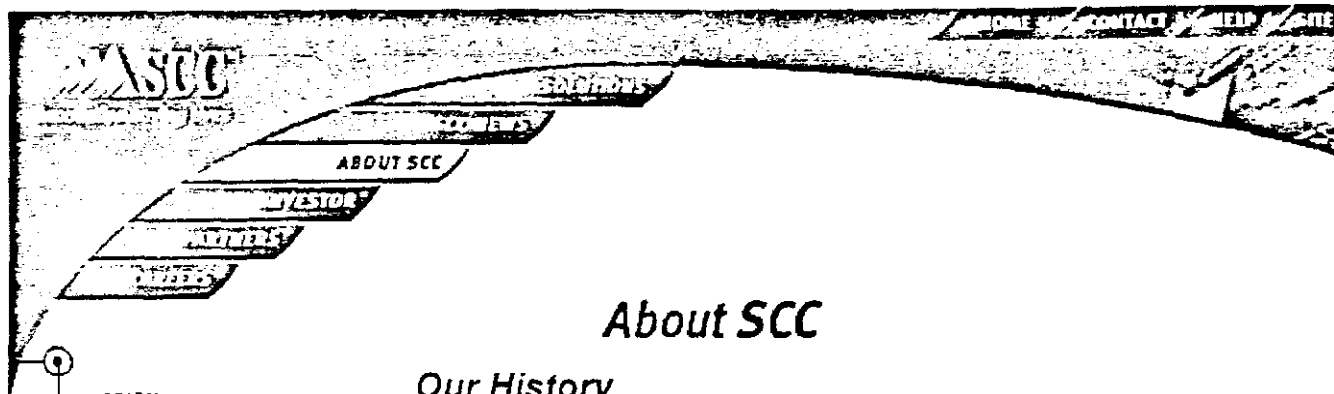
SCC Communications Corp. is the leading provider of 9-1-1 Operations Support SystemsSM (9-1-1 OSSSM) services to Incumbent Local Exchange Carriers (ILECs), Competitive Local Exchange Carriers (CLECs), integrated communication providers (ICPs), and Wireless Carriers in the United States.

In addition to our OSS leadership position, it is also our goal to be the leading national provider of complementary services to ILECs, CLECs, and Wireless Carriers. We continue to focus on developing innovative and value-added solutions to provide customers with a comprehensive system for managing the large amounts of dynamic subscriber information needed for an effective 9-1-1 system.

Corporate Strategy

- Maintain and extend our leadership position in the E9-1-1 wireline data management market
- Capitalize on emerging Wireless Carrier opportunities
- Maintain and extend our leadership position in national Clearinghouse services for CLECs
- Continue to provide essential services to telecommunications carriers
- Continue to develop applications for new commercial products both nationally and internationally

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- MISSION
- VISION
- HISTORY
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- CONSTITUENCIES
- MAP

About SCC

Our History

SCC Communications Corp., founded in 1979, is the largest and fastest-growing provider of 9-1-1 services and telecommunications technology systems in North America. Headquartered in Boulder, Colorado, SCC provides products that are utilized directly or indirectly by more than 160 million people around the world.

SCC's primary offering is the large-scale data management and delivery infrastructure necessary to deliver Enhanced 9-1-1 (E9-1-1). From the company's inception, however, we have been well known for the development of innovative and value-added products and services for the public safety industry.

A History of Firsts

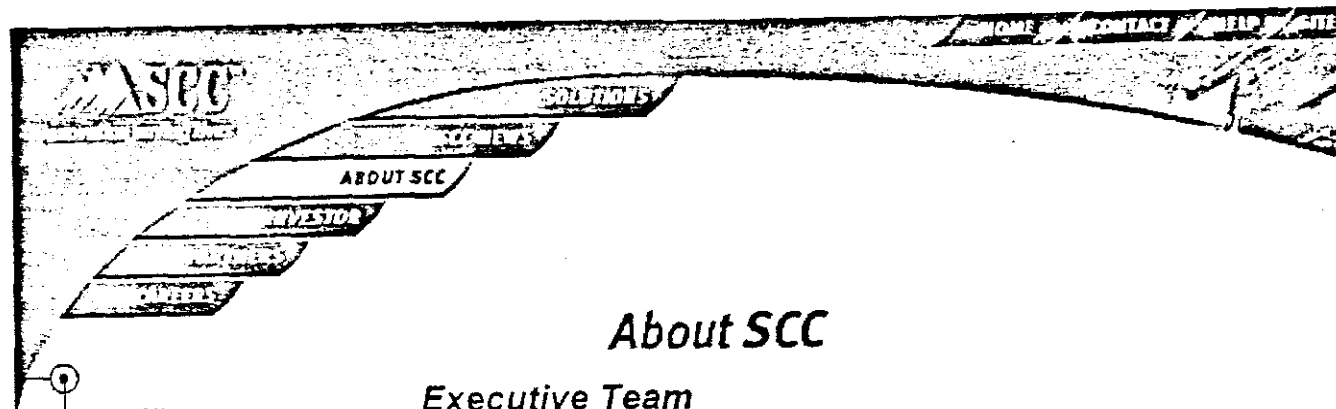
SCC's track record of significant industry "firsts" speaks for itself. No other organization in the public safety realm can claim so many firsts:

- First fault-tolerant, geographically distributed Automatic Location Identification (ALI) and Selective Routing (SR) systems for E9-1-1
- First satellite-based E9-1-1 data delivery system
- First wireless 9-1-1 ALI system
- First spatial coordinate-based mapping display and management system
- First coordinate-based E9-1-1 call control system
- First network-based E9-1-1 Automatic Call Distribution (ACD) system
- First Internet application for E9-1-1 (9-1-1Net(r))

These accomplishments were made possible only through a cultural commitment to innovation and a strong fiscal contribution of corporate resources.

And, over the years, we have seen our role in the industry continue to expand. For example, because of our expertise, we actively take part in the development of standards to assist in the application of new 9-1-1 technologies in the rapidly evolving world of telecommunications.

Our commitment to public safety continues to be widely recognized. So today, just as in 1979, SCC devotes significant effort toward the research and development of enhanced products, services, and software for the public safety market place.



About SCC

Executive Team



George Heinrichs

Mr. Heinrichs is cofounder, president, and CEO of SCC Communications Corp. He has led SCC's growth as it has become the nation's largest provider of 9-1-1 technology solutions and services for the telecommunications and public safety industries. Prior to founding SCC, his public safety career included ten years of active involvement in state and national advisory boards for law enforcement information systems.



Stephen Meer

Mr. Meer is cofounder, vice president and CTO of SCC Communications Corp. In this capacity he works with the telecommunications and public safety industries to implement innovative technologies and systems in the 9-1-1 field. A 10-year veteran of public safety and a Charter-Certified Emergency Number Professional (ENP), Mr. Meer is actively involved in the key standards and technical committees associated with 9-1-1 and other emergency communications industries.



Michael Dingman

Michael Dingman is the CFO of SCC Communications Corp. Dingman brings nearly two decades of diversified financial management experience to SCC. Prior to joining SCC, he served as CFO and treasurer of RMI.NET, Inc. He also has extensive experience in financial consulting as president and founder of an investment consulting firm.



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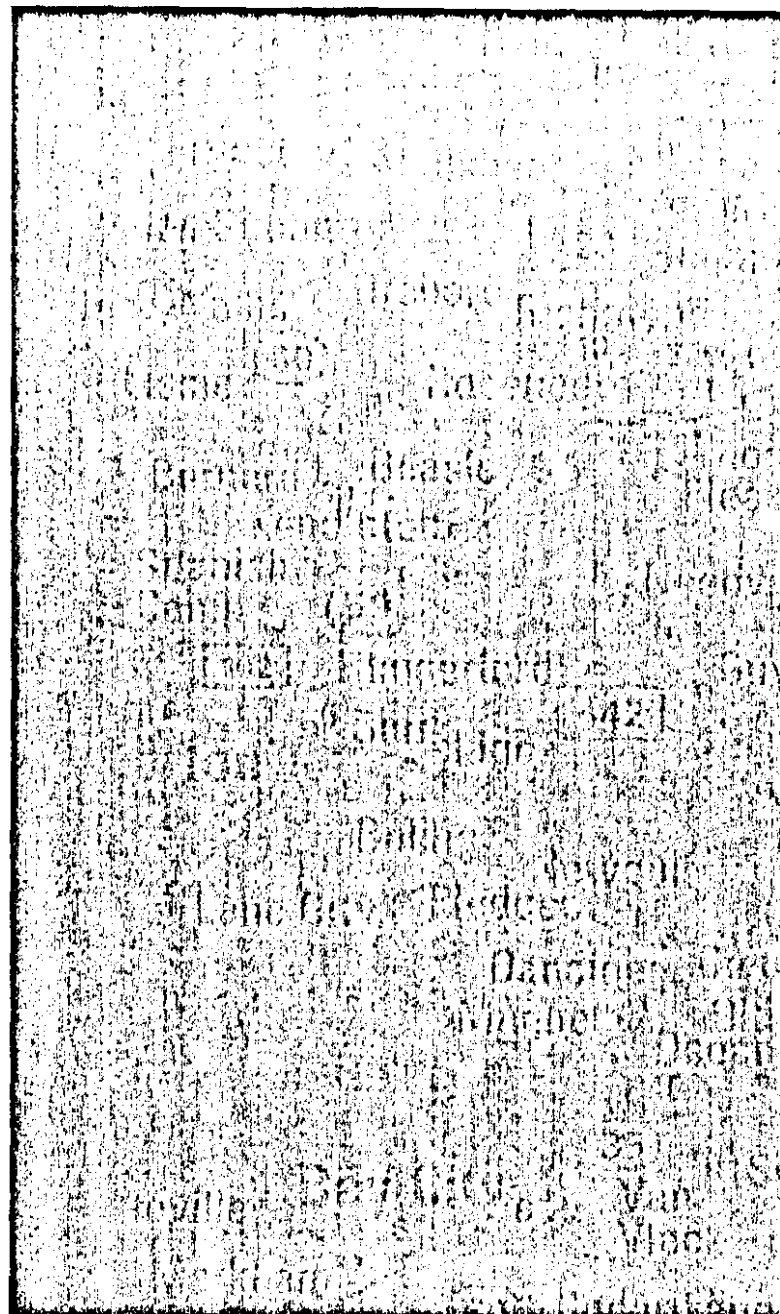


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Our business is divided into three segments: Chemicals, Polymers, and Specialty Products. The Chemicals segment is our largest and most diversified, producing a wide range of chemical products for various industries. The Polymers segment focuses on the production of high-quality plastic resins and films. The Specialty Products segment manufactures specialized chemicals and materials for niche markets.

Our primary markets include the automotive, packaging, and construction industries. We maintain a strong presence in North America, with significant operations in Europe and Asia. Our commitment to research and development ensures we remain at the forefront of chemical innovation.

Over the past several years, we have successfully expanded our product lines and increased our market share. This growth is reflected in our financial performance, which shows a steady increase in revenue and profitability. We continue to invest in our facilities and technology to improve efficiency and reduce costs.

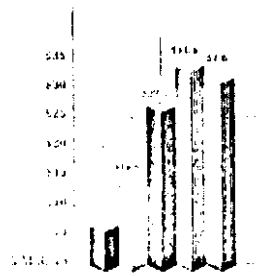
Looking ahead, we are optimistic about the future of our company. With a strong foundation in chemical expertise and a commitment to customer service, we are well-positioned to achieve continued success in the years ahead.

(figures in thousands, except per share data)

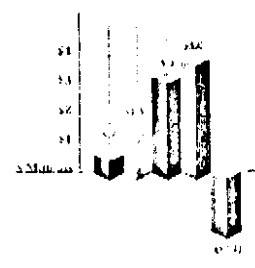
	1997	1998	1999	1996	1995
Total revenue	32,584	34,449	27,072	14,802	7,413
Income (loss) from operations	(2,137)	3,795	3,334	1,473	686
Net income (loss)	<u>\$ (1,288)</u>	<u>\$ 2,971</u>	<u>\$ 1,875</u>	<u>\$ 375</u>	<u>\$ (1,444)</u>
Net income (loss) per share:					
Basic	\$ (0.12)	\$ 0.38	\$ 0.81	\$ (0.17)	\$ (1.07)
Diluted	\$ (0.12)	\$ 0.29	\$ 0.21	\$ 0.02	\$ (1.07)
Cash and cash equivalents	<u>\$ 8,354</u>	<u>\$ 10,266</u>	<u>\$ 2,503</u>	<u>\$ 32</u>	<u>\$ 1,004</u>
Short and long-term investments in marketable securities	13,158	9,812	—	—	—
Working capital (deficit)	18,014	17,678	(2,670)	(7,345)	(8,139)
Total assets	41,780	45,095	21,108	18,492	11,755
Long-term debt	2,638	2,791	6,891	3,318	1,934
Total stockholders' equity (deficit)	32,935	33,591	(1,867)	(13,068)	(4,614)

- 1993
- 1996
- 1997
- 1998
- 1999

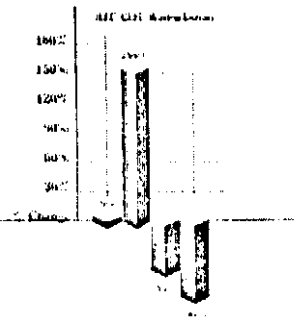
Total Annual Revenue



Annual Operating Income (Loss)



1999 Revenue Growth by Business Unit





Dear Shareholders:

1999 was a successful year for SCC, a year of learning for the future. In 1999, we restructured the company into functional business units, added a number of new products and services, and put the building blocks in place that will not only drive SCC into the future as the leader in 9-1-1 but will also position our company for expansion into other markets.

During 1999, we realized that in order to provide a full range of services to a diverse set of clients, many of whom are competitors with one another, SCC would need to reshape its approach to the marketplace. In addition, SCC's management recognized that while some areas of the core business were experiencing heavy investments, other segments of our business were doing very well, and there were a number of new markets yet to explore. It was difficult for our shareholders to distinguish among our various business units. To empower our teams to focus on specific customer and market demands, SCC announced a new vertical arrangement consisting of four distinct business units, as well as several enterprise-wide support groups.

The business units are: **Incumbent Local Exchange Carriers (ILEC)**, **Wireless Operations**, **Competitive Local Exchange Carriers (CLEC)**, and **Direct** (encompassing the State of Texas and other government entities). Our support groups include: **Software/Engineering**, **Company Operations**, and **Executive/Administration Services**. The focus facilitated by the creation of individual business units is already delivering positive results. The new structure allows managers to concentrate more on growing their revenue and market share. They are defining and delivering the highest level of customer service possible and improving SCC's operational effectiveness.

Financial Results: The **ILEC business unit**, which serves clients who have long been the backbone of SCC's business model, once again showed resilience and steady growth in 1999. We continue to look for ways to strengthen our relationships with our ILEC clients, and we are focusing on the research, development, and marketing of products and services to meet their changing needs and to expand the breadth of services we offer.

The **CLEC business unit** more than tripled in 1999, exceeding the one-million subscriber mark in January, the two million mark in June, and the three million mark in December. Our CLEC customers rely on SCC to provide the training and expertise they need to get up and running quickly. SCC focuses on the technical issues of building an accurate data source, thereby allowing the CLEC to concentrate on the all-important element of customer service.

The **Wireless business unit** was our highest strategic priority during 1999, with ongoing expenses of about \$5 million. Our early experience with a number of wireless carriers to create solutions that meet government 9-1-1 requirements, thereby spreading our customers into the market, have resulted in solid market place. While the early adoption base is smaller than we would have liked, signals from the industry and our customers indicate that an accelerated rollout is imminent.

A major hurdle was eliminated in October 1999 when Congress passed and President Clinton signed the Wireless Communications and Public Safety Act of 1999, giving wireless carriers the same liability protection for 9-1-1 as wireline carriers. As a result, carriers have been able to satisfy their concerns with Public Safety Answering Points (PSAPs) and allocate a significant number of indemnification provisions that were holding up deployment. With those issues put to rest, the wireless carriers are now focusing on rolling out their next-generation services. These factors work together to drive demand for SCC's wireless solutions.

The **Direct business unit's** biggest accomplishment in 1999 was the successful pilot of a 9-1-1 solution for which a state government contracted directly with SCC for services. This contract with the State of Texas represents a major opportunity for SCC because it demonstrates that our 9-1-1 services can be sold directly to state and local governments, in addition to telecommunications carriers. Due to the strategic importance of our new direct offerings, we invested approximately \$1.2 million to lay the foundation in Texas.

This included opening an office in Austin, Texas, to supplement our data management capabilities in Boulder, Colorado. It also included support for an extensive pilot of 40,000 telephone records and 17,000 service orders. There are between 11 and 12 million records in Texas, and entities representing more than six million have consented to transferring their records to SCC. To date, we have transferred more than three million records and expect to complete the transfer of the total six million records by the end of the year. We are working toward gaining management of the remaining six million in the near future. Therefore, the success of our investment is significant.

In addition to the strategic initiatives in each business unit, the **Direct** and **ILEC** business units teamed up to create new services, the first of which is our **Emergency Warning and Evacuation (EWE)** service. EWE performs high-volume outbound telephone calling to targeted areas warning citizens of impending dangers. By the end of 1999, we had completed testing of the product and signed a contract with a major ILEC to market the product under the name **Emergency Preparedness Network (EPN)**. Several customers are now live on this product, and we are in contract negotiations in several other jurisdictions.

We made a strategic decision going into 1999 to focus our business on our data management services model and did not expand any significant efforts on selling our license model. As a result, our revenue from licenses and implementation services decreased by about \$3.4 million. We remain committed to the recurring and long-term nature of our contracts under the services model. However, we may pursue certain license opportunities, such as in international markets, as we go forward.

Investment Strategy and Growth: SCC is the undisputed leader in the delivery of mission-critical transactions to telecommunications carriers and public safety agencies—at present. But the use of wireless devices is growing at a phenomenal rate. Cars can phone for help. You can call your cruise from your PC—on your wristwatch! These innovative and exciting technologies have opened the door to the development of applications not previously possible, and they introduce 9-1-1 challenges that represent significant opportunities for SCC.

One such challenge lies in the fact that wireless callers roam, and the tether to a specific address does not exist. A national scale solution is not in place to deliver the wireless cell and location information through the 9-1-1 network and to route the caller's calls to the appropriate answering point. Due to SCC's database assets and working relationships with the ILECs, CLECs, wireless carriers and public safety agencies, we are in a unique position to be the backbone for all 9-1-1 call routing and call and data delivery on a national scale. SCC will capitalize on this opportunity. Our 2000 strategy calls for investment of about \$10 million in the research, development, marketing, and implementation necessary to create the next generation of 9-1-1 supporting infrastructure, as well as, opening the door to broad sets of new applications and services.

We're excited about the progress we've made and the opportunity that lies ahead. SCC has the vision, technology, and experience necessary to take public safety telecommunications into the 21st Century. We have built the complex infrastructure needed to support such a claim. Keeping pace isn't enough. SCC will continue to revolutionize the way 9-1-1 is done.

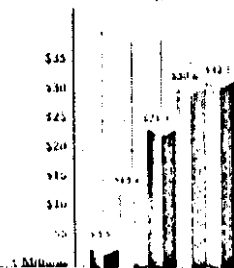
I thank our employees for their continued dedication and our shareholders for their support.

George K. Heinrich

George K. Heinrich,
President and Chief Executive Officer

1999
1998
1997
1996
1995

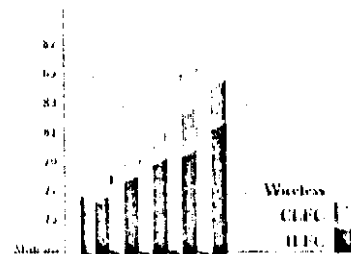
Annual Revenue from
Data Management Services



Annual Revenue
from Licenses and
Implementation Services



Subscribers by
Business Unit



The SCC Contribution

It's Sunday morning and your five-year-old impatiently runs into your bedroom to awaken you. She shakes you and calls your name, but you don't respond. She soon realizes that something is wrong and dials 9-1-1. As the calltaker answers, she identifies the problem but is unable to describe her address or location. The calltaker stays on the line and moments later, stress can be heard. You're treated for severe allergies to new prescription pills and will go home that evening—thanks to enhanced 9-1-1.

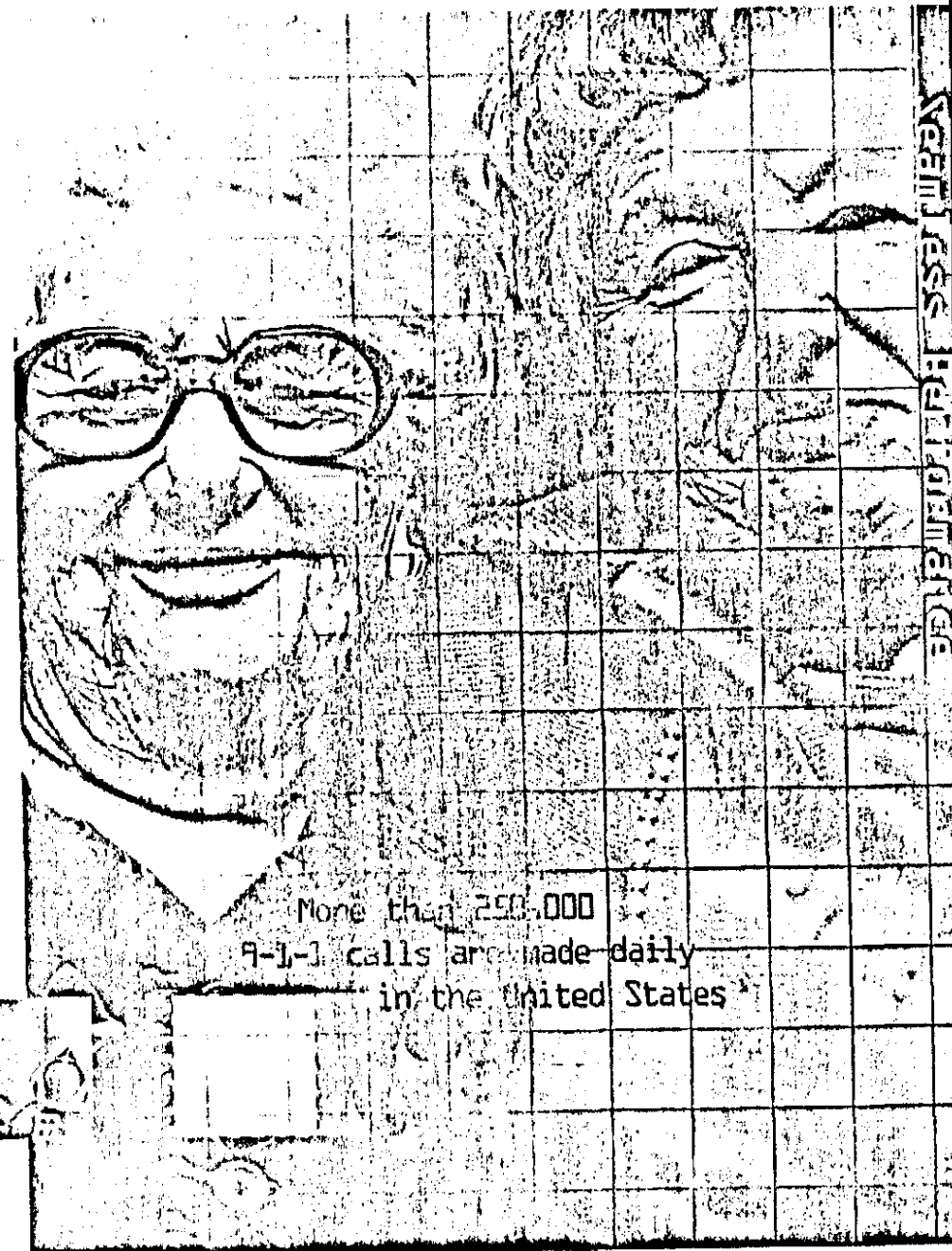
Dialing 9-1-1 has become an instinct for Americans in need. A service most of us give little thought to, 9-1-1 involves a multitude of routing, mapping, and database functions that must be carefully timed and painstakingly accurate. Whether you call 9-1-1 from Montana or Florida, your call is answered by a calltaker in your area. Your address is displayed on the computer screen, and help can be dispatched without a word. All this—the call routing and transmission of the caller's information—happens in mere seconds and is facilitated by the systems and data that SCC maintains.

Investing in Safety

Early on in the development of enhanced 9-1-1, forward-looking designers understood the significance of pre-locating the 9-1-1 caller. It requires a series of mapping, routing, and database activities to provide data containing the phone number of the caller followed by the voice portion of the 9-1-1 call. Every physical location with a telephone number is mapped for accurate call routing. This allows the call to be directed to the calltaker in their area. During a 9-1-1 call, the telephone number triggers the display of attending information on the calltaker's computer screen—that is, the street address of the caller and the identification of the emergency response unit assigned to that street address. The calltaker instantly knows which response unit to send and where. Coasting location information from an often hysterical caller in the midst of an emergency no longer delays the response. Lives are saved.

At the center of the inner workings of 9-1-1—from caller, to phone network, to calltaker, to response team—is the database that contains the attending information. The information contained in this database must be updated daily. And it must be constantly available. SCC is committed to making this data as accurate as possible.

Americans are constantly moving to new locations, adding new phone lines, and changing service providers. This creates the need to change the 9-1-1 database telephone subscriber record. The accuracy of the Master Street Address Guide (MSAG) is key to the proper routing of 9-1-1 calls. Over 100 SCC data analysts and supervisors work with our clients' local jurisdictions to ensure the accuracy and timeliness of updates. These data analysts provide support to more than 1,600 MSAG coordinators representing over 2,000 Public Safety Answering Points (PSAPs) in 29 states. The SCC data analysts handle tens of thousands of MSAG requests (either adds, changes, or deletes) annually. We manage over 90 million subscriber records. Our investment in safety saves lives and creates value to shareholders.



More than 250,000
9-1-1 calls are made daily
in the United States





ILEC and Direct

Our ILEC business unit is focused on supporting our strong incumbent local exchange carriers. These customers, comprised primarily of Regional Bell Operating Companies, represented 82% of SCC's total revenue in 1999. Our ILECs chose us for the backbone of SCC's revenue and we continue to look for ways to meet and exceed their expectations. Notably, the ILEC business unit saw a 6.5% increase in subscribers in 1999.

A significant development in wireless services was the rollout of Emergency Warning and EvacuationSM (EWESM) service in the fourth quarter of 1999. EWE is an advanced telephone-based emergency warning service. This service allows county and city agencies to deliver vital emergency information to their citizens through a high capacity telephone system. Flash floods, wildfires, chemical spills, and hostage situations are all examples of incidents in which EWE can be used to advise people of the level of danger and the best action to take. SCC signed a contract with a major ILEC to co-market this product under the name Emergency Preparedness Network and currently has several sites live.

In 1998, the Direct business unit signed a contract with the State of Texas. This was the first time that a state government chose an alternative provider for 9-1-1 data management. A pilot test period was conducted in Texas in 1999 to demonstrate SCC's ability to independently manage the enhanced 9-1-1 database.

Due to the success of the pilot test, six million subscribers made a commitment to transition to SCC and, as of the end of the first quarter, approximately three million Texas-based records have been transitioned to our database. These records are now generating revenue for SCC. The rest of the committed six million Texas records will be transitioned during 2000. Sales efforts continue to bring the remainder of the approximately 12 million available subscribers in the State of Texas to SCC.

SCC opened an office in Austin, Texas, in 1999. This facility will supplement our customer service and support capabilities.

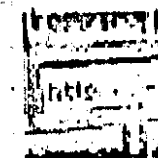
SCC is extremely proud of our partnership with the state of Texas. Our accomplishment there serves as a model for other states interested in providing reliable, technologically advanced alternatives for public safety services.

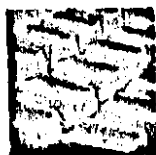
SCC manages
over 90 million
subscriber records²

The SCC Contribution

It has been raining for days. Nearby dams are swollen. Experts predict that, in less than an hour, the Mason Dam will break, flooding a residential area of more than 16,000 residents. County emergency coordinators activate their Emergency Warning and Evacuation plan.

While being dinner, you receive a phone call containing a message informing you of a potential danger due to flooding from the Mason Dam. You are asked to evacuate immediately and seek shelter at Petrus Arena. You and your family are safe. SCC's Emergency Warning and Evacuation allows emergency coordinators to launch an emergency warning and notify thousands of residents within minutes. The residents contact 3 are only those in danger, thus eliminating the confusion common to sirens and broadcast warnings.





The SCC Contribution

You sit down to dinner and the phone rings. It's a telephone provider offering you lower rates. Sounds great, so you make the switch and keep your original telephone number. While this appears simple, the ability to keep your existing telephone number when switching providers has become one of the most significant challenges to accurately maintaining the 9-1-1 database.

Established as part of the Telecommunications Reform Act of 1996, Local Number Portability (LNP) requires a series of precisely timed transactions between telephone providers and the 9-1-1 database. A lapse between these transactions could result in missing information during a 9-1-1 call.

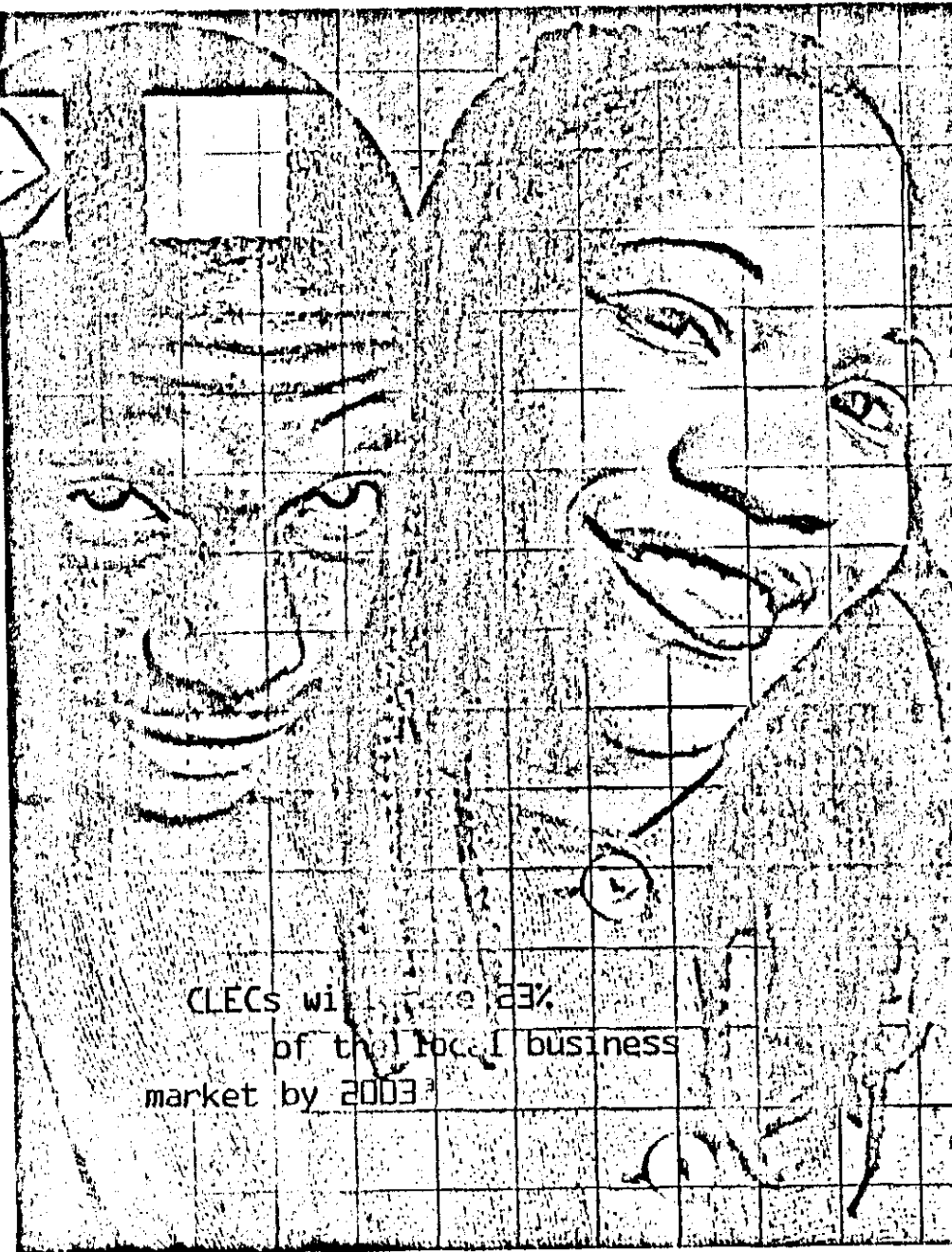
In January of 2000, SCC launched a new service initiative: LNP2000™. Directed by a team of specially trained senior analysts, LNP2000 has resulted in substantial improvements in service order timing and administrative processing. LNP2000 is another example of SCC's efforts to reduce the time and level of resources local service providers must expend.

CLEC

Our Competitive Local Exchange Carrier (CLEC) business unit continues to be the fastest growing sector of our business with its TelConnect™ service offerings. CLEC business represented 12% of SCC's total revenue in 1999. CLEC revenue increased 244% in 1999 as we executed 11 new CLEC contracts. CLEC subscriber growth expanded from 900,000 in the beginning of 1999 to over 3.1 million at the end of the year.

SCC's CLEC business unit established its Alliance Program in 1999. This program creates strategic partnerships with other businesses and vendors to develop and sell high quality 9-1-1 Operations Support Systems™ (9-1-1 OSS™) for the CLEC market. Our alliances allow us to deploy cost-effective solutions to the market more rapidly.

Among the goals for 2000 is the development of a series of products to increase automation, resulting in the delivery of more cost-effective solutions. The plan also focuses on increasing the awareness of SCC and its value in the marketplace. These goals will be accomplished by continuing to provide an unsurpassed level of customer service, expanding the line of products and services offered by SCC, and establishing partnerships with more OSS vendors.



CLECs will have 23%
of the local business
market by 2003.



Wireless

Just as the traditional dial tone providers, emergency services suppliers, and their vendors had enhanced 9-1-1 down to a fine science, along comes wireless. Not far behind was the Federal Communications Commission (FCC) mandate requiring the wireless industry to support enhanced 9-1-1 and provide location information to callers.

The mandates issued by the FCC in 1996 are referred to as Phase I and Phase II. Phase I location data was to be available as of April 1998 and was to identify the cell sector and callback number of the 9-1-1 caller to the caller. Funding for the PSAPs and liability issues for the wireless carriers have significantly slowed Phase I implementation. However, passage of the Wireless Communications and Public Safety Act of 1999 has re-energized deployment efforts, which we hope will bring direct and positive results for our wireless business unit.

The FCC's Phase II implementation schedule has been set for October 1, 2001 and requires wireless carriers to provide more precise caller location information. Through strategic alliances, SCC is well positioned as a leading provider of Phase I and Phase II service to wireless carriers with its 9-1-1 Connect™ service offering.

Despite delays and roadblocks experienced in rolling out Phase I, the Wireless business unit accounted for 5% of SCC's total revenue for 1999. The Wireless group announced an increase of 100% in its subscriber base for Phase I services during 1999, bringing total live subscribers to 726,000. The group has carriers representing 27.1 million subscribers under contract.

Continued rollout of Phase I is a priority for SCC's Wireless business unit in 2000, and our strategy for the deployment of our Phase II solution is aggressive. The result is an innovative solution for Phase I and Phase II wireless services, as well as the positioning of SCC as a leading provider of wireless services.

Approximately 98,000
9-1-1 wireless calls
are made daily*



The SCC Contribution

You're fly fishing in the streams of the Colorado River, and nothing could be better. You glance over at your friend a few yards behind you and notice that he has collapsed. As you approach, you realize that he is having a heart attack. You grab your wireless phone and dial 9-1-1. You almost establish your location with the caller when the call drops, and your connection is lost. With SCC's 9-1-1 Connect service, the 9-1-1 caller has your cell phone number and is able to call you back. Emergency assistance is on the way.

Surveys show 64% of people who buy wireless phones rank safety as their number one priority.* SCC understands this importance and is here to provide Phase I and Phase II service to wireless carriers nationwide.